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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Safeguards to Improve the
Administration of the Interstate
Access Tariff and Revenue
Distribution Processes

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CC Docket No. 93-6
RM 7736

REPLY COMMENTS OF THE
NATIONAL TELEPHONE COOPERATIVE ASSOCIATION

The National Telephone Cooperative Association ("NTCA") submits these Reply Comments in response to the comments filed on April 14, 1993, in the proceeding captioned above. This proceeding is examining the practices of the National Exchange Carrier Association ("NECA") in administering the interstate access tariff and revenue distribution pooling processes. NTCA is a national association of approximately 500 small local exchange carriers ("LECs") providing telecommunications services to interexchange carriers ("IXCs") and subscribers throughout rural America.

I. INTRODUCTION

NTCA provided the Commission and interested parties with extensive discussion of the issues identified in the Notice of Proposed Rulemaking in the first round of comments filed on April 14, 1993.¹ The other parties filing comments are nearly unanimous in their support for NECA and in support of positions that are compatible with those expressed by NTCA. The brief

¹ Notice of Proposed Rulemaking, FCC 93-25, released on February 11, 1993, in the above-captioned docket ("NPRM").

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comments that follow below will only address a few comments which NTCA has disagreement.

With this overwhelming consensus, it should be apparent that wholesale changes in NECA's operations are not needed. The commenting parties seem to fully understand that NECA as an organization has performed with excellence, has already been responsive to the concerns expressed by the Commission by proposing and implementing changes, and, in any case, should not be strapped with further burdens that would undermine the very purpose for which NECA was formed. NECA was conceived as a tariff filing and revenue distribution agent for pooling LECs,

the rest of which were omitted to be small NECA

number of or criteria for "outside " directors for NECA any more
than there should be rules governing these aspects for GCI or any

number of these small LEC board members are needed to cover the vast geographical expanse of the small LEC industry and to represent and understand the variety of LECs represented. To reduce their numbers would reduce the value of the input they receive from members and the knowledge they share with members to the point, in NTCA's opinion, beyond the level of expenses saved.

But the time and cost savings would be even smaller

internal files.⁵ Simply on general principles, on-line access by customers to internal matters of businesses is fundamentally contrary to the common sense practices of our economic way of life in this country.

AT&T also suggests that ARMIS-type data for NECA companies should be submitted routinely.⁶ First, small LECs do not possess ARMIS-type data and to compile such data for several hundred small LECs on any time basis that even potentially would make this type of data beneficial for analysis would be extremely burdensome to the LECs, NECA, the Commission, and any potential analysts. NECA already assembles data that supports its tariff filings that represents the cost and demand projections that must take into account the intricacies of several hundred small LECs' operations. The data that AT&T apparently seeks would be of less value and would only introduce confusion into the process. The Commission has correctly concluded in the past that smaller LECs should not be required to provide ARMIS-type data. The Commission should not change its policy decision.

V. THE COMMISSION SHOULD NOT INVOLVE ITSELF INTRUSIVELY IN MANAGING NECA'S INTERNAL STAFFING MATTERS ANY MORE SO THAN IT WOULD WITH INDIVIDUAL LECs.

A small number of commenting parties believe that the Commission should be involved in staffing matters of NECA including compensation and incentives.⁷ Once again, NECA's

⁵ AT&T at 2-4 and GCI at 4-5.

⁶ AT&T at 4-5.

⁷ GCI at 5 and ICORE at 12.

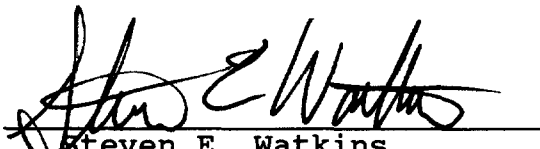
governing process, including the oversight of its Board of Directors, is more than sufficient to manage its staffing matters. The Commission should not and need not involve itself in staffing matters any more so than it would for an individual carrier.

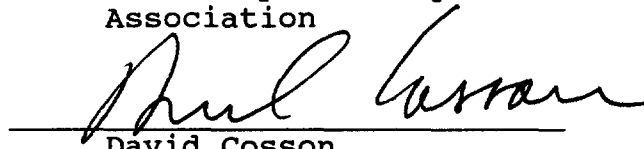
V. CONCLUSION.

NTCA accepts that the Commission fully understands and appreciates the functions and positive contribution that NECA provides to the LEC industry, the Commission, and the public. The extreme benefits that flow from the economy of scale and scope that NECA achieves by combining the access tariff filing, cost and demand analysis, and access charge and revenue distribution needs of almost one thousand LECs tower above the comparatively insignificant issues under investigation in this proceeding. The record developed in this proceeding shows overwhelmingly that few, if any, changes in the NECA process are warranted beyond those that NECA has already elected to make or propose itself.

Respectfully submitted,

National Telephone Cooperative
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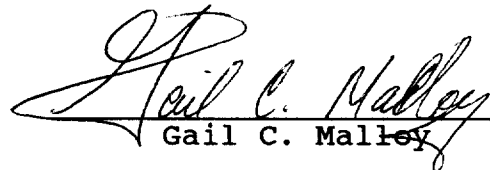
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May 14, 1993

CERTIFICATE OF SERVICE

I, Gail C. Malloy, certify that a copy of the foregoing Reply Comments in CC Docket No. 93-6 of the National Telephone Cooperative Association was served on this 14th day of May 1993, by first-class, U.S. Mail, postage prepaid, to the following persons on the attached list:


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